

JANUARY 25, 2008

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON JANUARY 25, 2008, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 5:00 P.M. ON JANUARY 25, 2008.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGE 1 TO 30; SURFACE ACTIONS AS LISTED ON PAGES 31 TO 44; DEVELOPMENT ACTIONS AS LISTED ON PAGES 44 TO 49; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGES 49 TO 50.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 5:00 P.M. ON FRIDAY, FEBRUARY 8, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.



KEVIN S. CARTER, DIRECTOR
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION


LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

MATERIAL PERMIT NO. 382 SAND AND GRAVEL (REJECTION)

APPLICANT:

Nielson Construction Company
825 North Loop Road
Huntington, UT 84528

AFFECTED LANDS:

Township 11 South, Range 15 East, SLB&M.
Section 32: E $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$

COUNTY: Duchesne

ACRES: 100.0 \pm

FUND: SCH

The above-listed applicant failed to return signed copies of the permit.

Upon recommendation of Mr. Tom Faddies, the Director rejected the application for MP 382.

MATERIAL PERMIT NO. 383 SAND AND GRAVEL (REJECTION)

APPLICANT:

Nielson Construction Company
825 North Loop Road
Huntington, UT 84528

AFFECTED LANDS:

Township 15 South, Range 10 East, SLB&M.
Sections 5, 6, 8: Within

COUNTY: Carbon

ACRES: 3.09 \pm

FUND: SCH

The above-listed applicant failed to return signed copies of the permit.

Upon recommendation of Mr. Tom Faddies, the Director rejected the application for MP 383.

APPROVAL OF COTTONWOOD COMPETITIVE LEASING UNIT COAL SALE AND ISSUANCE OF COAL LEASES ML 51191-OBA AND ML 51192-OBA

The Utah School and Institutional Trust Lands Administration held a sale of its Cottonwood Competitive Coal Leasing Unit, 8,803.87 acres, on December 31, 2007. Two sealed bids were received, but neither bid met the fair market value expected for the tract. The Trust Lands Administration elected to negotiate with the high bidder, Ark Land Company, and settled for a bonus payment of \$25,031,512.50 on an estimated 48,535,000 tons of recoverable coal. On January 17, 2008, the Board of Trustees consented to the negotiated bid amount and to the issuance of coal leases to Ark Land Company on the Cottonwood Competitive Leasing Unit. Two coal leases will be issued. Lease ML 51191-OBA covers certain lands within the 1998 land exchange (PL105-335) Cottonwood Coal Tract as described below. ML 51192-OBA covers certain lands within an adjacent Utah School section, also described below. The United States shall succeed to the position of the Utah School and Institutional Trust Lands Administration as Lessor of ML 51191-OBA when the Trust Lands Administration has received payment of \$26,102,210 in rental and royalty income from the lease, plus accrued interest calculated pursuant to Section 1.D.4 of that certain Memorandum of Understanding dated January 5, 1999, between the Utah School and Institutional Trust Lands Administration, the U.S. Department of Interior, and the USDA-Forest Service. Such lease revenue shall be distributed by the Trust Lands Administration in accordance with the Multiple Fund provisions established for the Cottonwood Exchange Tract. ML 51192-OBA includes only school trust lands and is not subject to federal ownership reversion. Both leases contain current coal leasing terms and conditions of the Trust Lands Administration including a Primary Term of ten years, Secondary Term of ten years, \$3.00 per acre annual rental, and 8% royalty. Each lease requires payment of the negotiated bonus bid divided into five equal annual installment payments; \$4,297,159.70 for ML 51191-OBA and \$709,142.80.00 for ML 51192-OBA. The negotiated bonus bid is allocated between the two leases on the basis of total estimated recoverable tonnage within the leasing unit, as announced in the competitive sale, i.e., 85.835% to the federal exchange tract and 14.165% to the school section. The first annual bonus bid payment for each lease was submitted by the lessee at the time the final bonus bid was negotiated. The remaining installment bonus bid payments, in the same amounts, shall be made by the lessee on or before each anniversary date of the leases for the next four years. Lease ML 51191-OBA additionally contains certain special stipulations for: 1) protection of surface, wildlife and other natural resources within the Manti-La Sal National Forest; 2) safety inspections of nearby Joes Valley Dam; 3) payment of additional bonus upon each ton of coal mined in excess of 41,660,000 from the lands within the lease; and, 4) commencement of the required annual minimum royalty after only five years, rather than ten years. The lessee shall be required to post lease performance and payment bonds in such form and amounts as determined by the lessor, and to comply with all state and federal permitting laws and requirements governing coal activities under the leases.

ML 51191-OBA

Ark Land Company
One CityPlace Drive
Suite 300
St. Louis, MO 63141

Township 17 South, Range 6 East, SLB&M.

SEC. 2: SW¼
SEC. 3: LOTS 1(39.22), 2(38.87), 3(38.30), 4(37.96), 5(37.51),
6(37.51), 7(38.19), 8(38.19), 9(37.73), 10(37.49), 11(37.37),
12(37.61), SE¼ [ALL]
SEC. 4: LOTS 1(21.93), 2(21.35), S½NE¼, SE¼
SEC. 9: E½, E½W½
SEC. 10: LOTS 1(37.28), 2(37.15), 3(37.84), 4(37.97), 5(38.43),
6(38.46), 7(39.15), 8(39.12), E½ [ALL]
SEC. 11: ALL
SEC. 12: W½W½
SEC. 13: W½W½
SEC. 14: LOTS 1(39.99), 2(40.03), 3(39.95), 4(39.91), E½,
NW¼ [ALL]
SEC. 15: LOTS 1(37.54), 2(36.50), 3(36.49), 4(37.53), 5(32.36),
6(33.36), 7(34.48), 8(35.48), 9(35.48), 10(34.48), 11(33.43),
12(32.43), NE¼ [ALL]
SEC. 16: NE¼NW¼

Emery

8,203.87 acres

FUND: MULTI

APPROVAL OF COTTONWOOD COMPETITIVE LEASING UNIT COAL SALE AND ISSUANCE OF COAL LEASES ML 51191-OBA AND ML 51192-OBA (CONTINUED)

ML 51191-OBA (continued)

Township 17 South, Range 6 East, SLB&M.

SEC. 20: E $\frac{1}{2}$ E $\frac{1}{2}$

SEC. 21: ALL

SEC. 22: ALL

SEC. 23: LOTS 1(37.29), 2(36.28), 3(36.34), 4(37.35), 5(32.68),
6(33.62), 7(34.48), 8(35.42), 9(35.48), 10(34.54), 11(33.63),
12(32.69), NE $\frac{1}{4}$ [ALL]

SEC. 24: W $\frac{1}{2}$ W $\frac{1}{2}$

SEC. 25: N $\frac{1}{2}$ NW $\frac{1}{4}$

SEC. 26: N $\frac{1}{2}$ NE $\frac{1}{4}$, W $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$

SEC. 27: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$

SEC. 28: N $\frac{1}{2}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$

SEC. 29: NE $\frac{1}{4}$

ML 51192-OBA

Ark Land Company
One CityPlace Drive
Suite 300
St. Louis, MO 63141

Township 17 South, Range 6 East, SLB&M.

SEC. 16: E $\frac{1}{2}$, SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ NW $\frac{1}{4}$

Emery
600.00 acres

FUND: SCH

Upon recommendation of Mr. Blake, the Director approved the above-listed leases.

METALLIFEROUS MINERAL LEASE APPROVALS

Upon recommendation of Mr. Stokes, the Director approved the Metalliferous Minerals lease applications listed below at a minimum annual rental rate of \$500 per lease or \$1 per acre, whichever is greater. The production royalty, as provided in the lease form, approved by the Director of the Trust Lands Administration, is 8% for fissionable minerals and 4% for non-fissionable minerals - based on the gross value of the ore. The land status has been examined utilizing both the plat books and the business system and the lands were found to be open and available. The applications have been checked for completeness and found to be in proper order. The business system and plat books have been updated to show the lease applications as existing contracts on the lands described below:

ML 51195

Kelly Dearth
802 Samoan Drive
Grand Junction, CO 81506

T32S, R26E, SLB&M.

SEC. 2: LOTS 1(16.11), 2(15.80), 3(15.70), 4(15.60),
5(15.49), 6(15.39) [ALL]

San Juan
94.09 Acres

Annual Rental: \$500

FUND: SCH

METALLIFEROUS MINERAL LEASE APPROVALS (CONTINUED)**ML 51196**

Hartmut W. Baitis
2705 Loraine Drive
Missoula, MT 59803

T18S, R11E, SLB&M.

SEC. 36: ALL

Emery
640.00 Acres

Annual Rental: \$640

FUND: SCH

ML 51197

Hartmut W. Baitis
2705 Loraine Drive
Missoula, MT 59803

T17S, R12E, SLB&M.

SEC. 32: ALL

Emery
640.00 Acres

Annual Rental: \$640

FUND: SCH

ML 51198

Hartmut W. Baitis
2705 Loraine Drive
Missoula, MT 59803

T17S, R11E, SLB&M.

SEC. 36: ALL

Emery
640.00 Acres

Annual Rental: \$640

FUND: SCH

ML 51199

Hartmut W. Baitis
2705 Loraine Drive
Missoula, MT 59803

T17S, R13E, SLB&M.

SEC. 16: ALL

Emery
640.00 Acres

Annual Rental: \$640

FUND: SCH

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 33.333333% interest in and to the lease listed below to OSO Oil & Gas Properties, LLC, 15810 Park Ten Place, Suite 160, Houston, TX 77034, by Cedar Ridge, LLC. No override.

RECORD TITLE:

TRIPLE G PRODUCTION COMPANY,
LLC – 33.333334%,
***CEDAR RIDGE, LLC (DBA CEDAR RIDGE
OPERATING CO., LLC – 33.333333%,***
OSO OIL & GAS PROPERTIES, LLC – 33.333333%

RECORD TITLE:

OSO OIL & GAS PROPERTIES, LLC – 66.666666%,
TRIPLE G PRODUCTION COMPANY
LLC – 33.333334%

....ML 50406 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 33.333334% interest in and to the lease listed below to OSO Oil & Gas Properties, LLC, 15810 Park Ten Place, Suite 160, Houston, TX 77034, by Triple G Production Company, LLC. No override.

RECORD TITLE:

OSO OIL & GAS PROPERTIES, LLC – 66.666666%,
***TRIPLE G PRODUCTION COMPANY
LLC – 33.333334%***

RECORD TITLE:

OSO OIL & GAS PROPERTIES, LLC – 100%

....ML 50406 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 13.210397% interest in operating rights from surface to Base of Green River Formation in part of lands: NW¼NW¼ (Lots 1, 2) Sec. 32, T8S, R17E, SLB&M., 28.34 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%
***OPERATING RIGHTS: SURFACE TO BASE OF
GREEN RIVER FORMATION
T8S, R17E, SLB&M. 28.34 ACRES
SEC. 32: LOTS 1, 2 (NW¼NW¼)***
LOMAX EXPLORATION COMPANY - 64.5003%,
BEE HIVE OIL, L.L.C. - 19.22445%,
NEWFIELD RMI LLC - 12.5%,
NEWFIELD PRODUCTION COMPANY - 3.77525%
T8S, R17E, SLB&M. 32.71 ACRES
SEC. 32: LOT 3 (SW¼NW¼)
LOMAX EXPLORATION CO. - 56.24069%,
NEWFIELD RMI LLC - 20%,

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%
***OPERATING RIGHTS: SURFACE TO BASE OF
GREEN RIVER FORMATION
T8S, R17E, SLB&M. 28.34 ACRES
SEC. 32: LOTS 1, 2 (NW¼NW¼)***
LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%
T8S, R17E, SLB&M. 32.71 ACRES
SEC. 32: LOT 3 (SW¼NW¼)
LOMAX EXPLORATION COMPANY - 56.24069%,

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

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|--|--|
| BEE HIVE OIL, L.L.C. - 19.95226%, NEWFIELD PRODUCTION COMPANY - 3.80705% | NEWFIELD RMI LLC - 20%, BEE HIVE OIL, L.L.C. - 19.95226%, NEWFIELD PRODUCTION COMPANY - 3.80705% |
| <u>T8S, R17E, SLB&M.</u> 34.88 ACRES SEC. 32: LOTS 4, 5 (SE¼NW¼) ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 26.80138%, BEE HIVE OIL, L.L.C. - 20.69517%, NEWFIELD RMI LLC - 12.5%, NEWFIELD PRODUCTION COMPANY - 2.50345% | <u>T8S, R17E, SLB&M.</u> 34.88 ACRES SEC. 32: LOTS 4, 5, (SE¼NW¼) ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 26.80138%, BEE HIVE OIL, L.L.C. - 20.69517%, NEWFIELD RMI LLC - 12.5%, NEWFIELD PRODUCTION COMPANY - 2.50345% |
| <u>T8S, R17E, SLB&M.</u> 110.77 ACRES SEC. 32: LOTS 7, 8, 10, 11 (W½SE¼, SE¼SW¼) ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 30.1027%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, CLASS 10 LIQ. TRUST - .5223% | <u>T8S, R17E, SLB&M.</u> 110.77 ACRES SEC. 32: LOTS 7, 8, 10, 11 (W½SE¼, SE¼SW¼) ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 30.1027%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, CLASS 10 LIQ. TRUST - .5223% |
| <u>T8S, R17E, SLB&M.</u> 37.26 ACRES SEC. 32: LOT 9 (SE¼SE¼) ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 30.38649%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, CLASS 10 LIQ. TRUST - .23851% | <u>T8S, R17E, SLB&M.</u> 37.26 ACRES SEC. 32: LOT 9 (SE¼SE¼) ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 30.38649%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, CLASS 10 LIQ. TRUST - .23851% |
| <u>T8S, R17E, SLB&M.</u> 80.00 ACRES SEC. 32: SE¼NE¼, NW¼NE¼ ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 30.19094%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, CLASS 10 LIQ. TRUST - .43406% | <u>T8S, R17E, SLB&M.</u> 80.00 ACRES SEC. 32: SE¼NE¼, NW¼NE¼ ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 30.19094%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, CLASS 10 LIQ. TRUST - .43406% |
| <u>T8S, R17E, SLB&M.</u> 40.00 ACRES SEC. 32: NE¼SE¼ LOMAX EXPLORATION CO. - 56.68002%, NEWFIELD RMI LLC - 20%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD PRODUCTION COMPANY - 3.94498% | <u>T8S, R17E, SLB&M.</u> 40.00 ACRES SEC. 32: NE¼SE¼ LOMAX EXPLORATION COMPANY - 56.68002%, NEWFIELD RMI LLC - 20%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD PRODUCTION COMPANY - 3.94498%, |
| <u>T8S, R17E, SLB&M.</u> 120.00 ACRES SEC. 32: SW¼NE¼, NE¼NE¼, SW¼SW¼ ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 23.78125%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, NEWFIELD PRODUCTION COMPANY - 2.34375%, KING OIL & GAS OF TEXAS, LTD. - 2.25%, PUCKETT-D'LO, L.L.C. - 2.25% | <u>T8S, R17E, SLB&M.</u> 120.00 ACRES SEC. 32: SW¼NE¼, NE¼NE¼, SW¼SW¼ ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 23.78125%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, NEWFIELD PRODUCTION COMPANY - 2.34375%, KING OIL & GAS OF TEXAS, LTD. - 2.25%, PUCKETT-D'LO, L.L.C. - 2.25% |
| <u>T8S, R17E, SLB&M.</u> 34.71 ACRES SEC. 32: LOT 6 (NE¼SW¼) LOMAX EXPLORATION CO - 53.78125%, NEWFIELD RMI LLC - 20%, | <u>T8S, R17E, SLB&M.</u> 34.71 ACRES SEC. 32: LOT 6 (NE¼SW¼) LOMAX EXPLORATION COMPANY - 53.78125%, |

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

| | |
|---|---|
| BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD PRODUCTION COMPANY - 2.34375%, KING OIL & GAS OF TEXAS, LTD. - 2.25%, PUCKETT-D LO, L.L.C. - 2.25% | NEWFIELD RMI LLC - 20%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD PRODUCTION COMPANY - 2.34375%, KING OIL & GAS OF TEXAS, LTD. - 2.25%, PUCKETT-D'LO, L.L.C. - 2.25% |
| <u>T8S, R17E, SLB&M.</u> 40.00 ACRES | <u>T8S, R17E, SLB&M.</u> 40.00 ACRES |
| SEC. 32: NW¼SW¼ | SEC. 32: NW¼SW¼ |
| ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 28.28125%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, NEWFIELD PRODUCTION COMPANY - 2.34375% | ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 28.28125%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, NEWFIELD PRODUCTION COMPANY - 2.34375% |
| <u>T8S, R17E, SLB&M.</u> 40.00 ACRES | <u>T8S, R17E, SLB&M.</u> 40.00 ACRES |
| SEC. 32: NE¼NW¼ | SEC. 32: NE¼NW¼ |
| LOMAX EXPLORATION COMPANY - 47.5625%, BEE HIVE OIL, L.L.C. - 38.75%, NEWFIELD PRODUCTION COMPANY - 4.6875%, KING OIL & GAS OF TEXAS, LTD. - 4.5%, PUCKETT-D'LO, L.L.C. - 4.5% | LOMAX EXPLORATION COMPANY - 47.5625%, BEE HIVE OIL, L.L.C. - 38.75%, NEWFIELD PRODUCTION COMPANY - 4.6875%, KING OIL & GAS OF TEXAS, LTD. - 4.5%, PUCKETT-D'LO, L.L.C. - 4.5% |

....ML 22060 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 13.710524% interest in operating rights from surface to Base of Green River Formation in part of lands: SW¼NW¼ (Lot 3) Sec. 32, T8S, R17E, SLB&M., 32.71 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION CO.- 56.24069%,
NEWFIELD RMI LLC - 20%,
BEE HIVE OIL, L.L.C. - 19.95226%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRES

SEC. 32: LOTS 4, 5 (SE¼NW¼)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 26.80138%,

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION COMPANY - 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRES

SEC. 32: LOTS 4, 5, (SE¼NW¼)

ENSERCH EXPLORATION INC. - 37.5%,

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

BEE HIVE OIL, L.L.C. - 20.69517%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%
T8S, R17E, SLB&M. 110.77 ACRES

SEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)
 ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES

SEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)
 ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRES

SEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$
 ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$
 LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRES

SEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$
 ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES

SEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)
 LOMAX EXPLORATION CO - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,

LOMAX EXPLORATION COMPANY - 26.80138%,
 BEE HIVE OIL, L.L.C. - 20.69517%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRES
 SEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES

SEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)
 ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRES

SEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$
 ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$
 LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%,

T8S, R17E, SLB&M. 120.00 ACRES

SEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$
 ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES

SEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)
 LOMAX EXPLORATION COMPANY - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

PUCKETT-D LO, L.L.C. - 2.25%
T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NW¼SW¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE¼NW¼

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NW¼SW¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE¼NW¼

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

...ML 22060 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 14.221027% interest in operating rights from surface to Base of Green River Formation in part of lands: SE¼NW¼ (Lots 4, 5) Sec. 32, T8S, R17E, SLB&M., 34.88 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
 NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
 WAR-GAL, L.L.C. - 13.210397%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.014053%,
 NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION CO. - 56.24069%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.710524%,
 BEE HIVE OIL, L.L.C. - 6.241736%,
 NEWFIELD PRODUCTION COMPANY - 3.80705%

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
 NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
 WAR-GAL, L.L.C. - 13.210397%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.014053%,
 NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION COMPANY - 56.24069%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.710524%,
 BEE HIVE OIL, L.L.C. - 6.241736%,
 NEWFIELD PRODUCTION COMPANY - 3.80705%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M. 34.88 ACRES****SEC. 32: LOTS 4, 5 (SE $\frac{1}{4}$ NW $\frac{1}{4}$)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
BEE HIVE OIL, L.L.C. - 20.69517%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRES**SEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES**SEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRES**SEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$**

LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRES**SEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES**SEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)**

LOMAX EXPLORATION CO - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,

T8S, R17E, SLB&M. 34.88 ACRES**SEC. 32: LOTS 4, 5, (SE $\frac{1}{4}$ NW $\frac{1}{4}$)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRES**SEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES**SEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRES**SEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$**

LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRES**SEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES**SEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)**

LOMAX EXPLORATION COMPANY - 53.78125%,
 NEWFIELD RMI LLC - 20%,

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

| | |
|---|---|
| NEWFIELD PRODUCTION COMPANY - 2.34375%, KING OIL & GAS OF TEXAS, LTD. - 2.25%, PUCKETT-D LO, L.L.C. - 2.25% | BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD PRODUCTION COMPANY - 2.34375%, KING OIL & GAS OF TEXAS, LTD. - 2.25%, PUCKETT-D'LO, L.L.C. - 2.25% |
| <u>T8S, R17E, SLB&M.</u> 40.00 ACRES | <u>T8S, R17E, SLB&M.</u> 40.00 ACRES |
| SEC. 32: NW¼SW¼ | SEC. 32: NW¼SW¼ |
| ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 28.28125%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, NEWFIELD PRODUCTION COMPANY - 2.34375% | ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 28.28125%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, NEWFIELD PRODUCTION COMPANY - 2.34375% |
| <u>T8S, R17E, SLB&M.</u> 40.00 ACRES | <u>T8S, R17E, SLB&M.</u> 40.00 ACRES |
| SEC. 32: NE¼NW¼ | SEC. 32: NE¼NW¼ |
| LOMAX EXPLORATION CO. - 47.5625%, BEE HIVE OIL, L.L.C. - 38.75%, NEWFIELD PRODUCTION COMPANY - 4.6875%, KING OIL & GAS OF TEXAS, LTD. - 4.5%, PUCKETT-D'LO, L.L.C. - 4.5% | LOMAX EXPLORATION COMPANY - 47.5625%, BEE HIVE OIL, L.L.C. - 38.75%, NEWFIELD PRODUCTION COMPANY - 4.6875%, KING OIL & GAS OF TEXAS, LTD. - 4.5%, PUCKETT-D'LO, L.L.C. - 4.5% |

....ML 22060 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 13.313850% interest in operating rights from surface to Base of Green River Formation in part of lands: W½SE¼, SE¼SW¼ (Lots 7, 8, 10, 11) Sec. 32, T8S, R17E, SLB&M., 110.77 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION CO. - 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION COMPANY - 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M.** 34.88 ACRESSEC. 32: LOTS 4, 5 (SE $\frac{1}{4}$ NW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRESSEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRESSEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRESSEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$

LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRESSEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRESSEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION CO - 53.78125%,
 NEWFIELD RMI LLC - 20%,

T8S, R17E, SLB&M. 34.88 ACRESSEC. 32: LOTS 4, 5, (SE $\frac{1}{4}$ NW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRESSEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRESSEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRESSEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRESSEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRESSEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 53.78125%,

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

| | |
|---|---|
| BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD PRODUCTION COMPANY - 2.34375%, KING OIL & GAS OF TEXAS, LTD. - 2.25%, PUCKETT-D LO, L.L.C. - 2.25% | NEWFIELD RMI LLC - 20%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD PRODUCTION COMPANY - 2.34375%, KING OIL & GAS OF TEXAS, LTD. - 2.25%, PUCKETT-D'LO, L.L.C. - 2.25% |
| <u>T8S, R17E, SLB&M.</u> 40.00 ACRES | <u>T8S, R17E, SLB&M.</u> 40.00 ACRES |
| SEC. 32: NW¼SW¼ | SEC. 32: NW¼SW¼ |
| ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 28.28125%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, NEWFIELD PRODUCTION COMPANY - 2.34375% | ENSERCH EXPLORATION INC. - 37.5%, LOMAX EXPLORATION COMPANY - 28.28125%, BEE HIVE OIL, L.L.C. - 19.375%, NEWFIELD RMI LLC - 12.5%, NEWFIELD PRODUCTION COMPANY - 2.34375% |
| <u>T8S, R17E, SLB&M.</u> 40.00 ACRES | <u>T8S, R17E, SLB&M.</u> 40.00 ACRES |
| SEC. 32: NE¼NW¼ | SEC. 32: NE¼NW¼ |
| LOMAX EXPLORATION COMPANY - 47.5625%, BEE HIVE OIL, L.L.C. - 38.75%, NEWFIELD PRODUCTION COMPANY - 4.6875%, KING OIL & GAS OF TEXAS, LTD. - 4.5%, PUCKETT-D'LO, L.L.C. - 4.5% | LOMAX EXPLORATION COMPANY - 47.5625%, BEE HIVE OIL, L.L.C. - 38.75%, NEWFIELD PRODUCTION COMPANY - 4.6875%, KING OIL & GAS OF TEXAS, LTD. - 4.5%, PUCKETT-D'LO, L.L.C. - 4.5% |

....ML 22060 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 13.313850% interest in operating rights from surface to Base of Green River Formation in part of lands: SE¼SE¼ (Lot 9) Sec. 32, T8S, R17E, SLB&M., 37.26 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION CO.- 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION COMPANY - 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M. 34.88 ACRES**SEC. 32: LOTS 4, 5 (SE $\frac{1}{4}$ NW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRESSEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 WAR-GAS, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRESSEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRESSEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$

LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRESSEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRESSEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION CO - 53.78125%,
 NEWFIELD RMI LLC - 20%,

T8S, R17E, SLB&M. 34.88 ACRESSEC. 32: LOTS 4, 5, (SE $\frac{1}{4}$ NW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRESSEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRESSEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
WAR-GAL, L.L.C. - 13.31385%,
 NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRESSEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRESSEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRESSEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 53.78125%,

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

| | |
|--|--|
| BEE HIVE OIL, L.L.C. - 19.375%, | NEWFIELD RMI LLC - 20%, |
| NEWFIELD PRODUCTION COMPANY - 2.34375%, | BEE HIVE OIL, L.L.C. - 19.375%, |
| KING OIL & GAS OF TEXAS, LTD. - 2.25%, | NEWFIELD PRODUCTION COMPANY - 2.34375%, |
| PUCKETT-D LO, L.L.C. - 2.25% | KING OIL & GAS OF TEXAS, LTD. - 2.25%, |
| <u>T8S, R17E, SLB&M.</u> 40.00 ACRES | PUCKETT-D'LO, L.L.C. - 2.25% |
| SEC. 32: NW¼SW¼ | <u>T8S, R17E, SLB&M.</u> 40.00 ACRES |
| ENSERCH EXPLORATION INC. - 37.5%, | SEC. 32: NW¼SW¼ |
| LOMAX EXPLORATION COMPANY - 28.28125%, | ENSERCH EXPLORATION INC. - 37.5%, |
| BEE HIVE OIL, L.L.C. - 19.375%, | LOMAX EXPLORATION COMPANY - 28.28125%, |
| NEWFIELD RMI LLC - 12.5%, | BEE HIVE OIL, L.L.C. - 19.375%, |
| NEWFIELD PRODUCTION COMPANY - 2.34375% | NEWFIELD RMI LLC - 12.5%, |
| <u>T8S, R17E, SLB&M.</u> 40.00 ACRES | NEWFIELD PRODUCTION COMPANY - 2.34375% |
| SEC. 32: NE¼NW¼ | <u>T8S, R17E, SLB&M.</u> 40.00 ACRES |
| LOMAX EXPLORATION COMPANY - 47.5625%, | SEC. 32: NE¼NW¼ |
| BEE HIVE OIL, L.L.C. - 38.75%, | LOMAX EXPLORATION COMPANY - 47.5625%, |
| NEWFIELD PRODUCTION COMPANY - 4.6875%, | BEE HIVE OIL, L.L.C. - 38.75%, |
| KING OIL & GAS OF TEXAS, LTD. - 4.5%, | NEWFIELD PRODUCTION COMPANY - 4.6875%, |
| PUCKETT-D'LO, L.L.C. - 4.5% | KING OIL & GAS OF TEXAS, LTD. - 4.5%, |
| | PUCKETT-D'LO, L.L.C. - 4.5% |

....ML 22060 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 13.313850% interest in operating rights from surface to Base of Green River Formation in part of lands: SE¼NE¼, NW¼NE¼ Sec. 32, T8S, R17E, SLB&M., 80.00 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION CO.- 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION COMPANY - 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M.** 34.88 ACRESSEC. 32: LOTS 4, 5 (SE $\frac{1}{4}$ NW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRESSEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 WAR-GAS, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRESSEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 WAR-GAL, L.L.C. - 13.31385%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRESSEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$

LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRESSEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,

T8S, R17E, SLB&M. 34.88 ACRESSEC. 32: LOTS 4, 5, (SE $\frac{1}{4}$ NW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRESSEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRESSEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 WAR-GAL, L.L.C. - 13.31385%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRESSEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
WAR-GAL, L.L.C. - 13.313850%,
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BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRESSEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

PUCKETT-D'LO, L.L.C. - 2.25%
T8S, R17E, SLB&M. 34.71 ACRES
 SEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)
 LOMAX EXPLORATION CO - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE $\frac{1}{4}$ NW $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES

SEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
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T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE $\frac{1}{4}$ NW $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

....ML 22060 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 13.313850% interest in operating rights from surface to Base of Green River Formation in part of lands: NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 32, T8S, R17E, SLB&M., 40.00 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
 NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 64.5003%,
 WAR-GAL, L.L.C. - 13.210397%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.014053%,
 NEWFIELD PRODUCTION COMPANY - 3.77525%

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
 NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 64.5003%,
 WAR-GAL, L.L.C. - 13.210397%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.014053%,
 NEWFIELD PRODUCTION COMPANY - 3.77525%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M. 32.71 ACRES****SEC. 32: LOT 3 (SW¹/₄NW¹/₄)**

LOMAX EXPLORATION CO. - 56.24069%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.710524%,
 BEE HIVE OIL, L.L.C. - 6.241736%,
 NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRES**SEC. 32: LOTS 4, 5 (SE¹/₄NW¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRES**SEC. 32: LOTS 7, 8, 10, 11 (W¹/₂SE¹/₄, SE¹/₄SW¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 WAR-GAS, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES**SEC. 32: LOT 9 (SE¹/₄SE¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 WAR-GAL, L.L.C. - 13.31385%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRES**SEC. 32: SE¹/₄NE¹/₄, NW¹/₄NE¹/₄**

ENSERCH EXPLORATION INC. - 37.5%,
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 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NE¹/₄SE¹/₄**

LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRES**SEC. 32: SW¹/₄NE¹/₄, NE¹/₄NE¹/₄, SW¹/₄SW¹/₄**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,

T8S, R17E, SLB&M. 32.71 ACRES**SEC. 32: LOT 3 (SW¹/₄NW¹/₄)**

LOMAX EXPLORATION COMPANY - 56.24069%,
 NEWFIELD RMI LLC - 20%,
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 BEE HIVE OIL, L.L.C. - 6.241736%,
 NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRES**SEC. 32: LOTS 4, 5, (SE¹/₄NW¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRES**SEC. 32: LOTS 7, 8, 10, 11 (W¹/₂SE¹/₄, SE¹/₄SW¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES**SEC. 32: LOT 9 (SE¹/₄SE¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 WAR-GAL, L.L.C. - 13.31385%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRES**SEC. 32: SE¹/₄NE¹/₄, NW¹/₄NE¹/₄**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NE¹/₄SE¹/₄**

LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.313850%,
BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRES**SEC. 32: SW¹/₄NE¹/₄, NE¹/₄NE¹/₄, SW¹/₄SW¹/₄**

ENSERCH EXPLORATION INC. - 37.5%,

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES

SEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION CO - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE $\frac{1}{4}$ NW $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

LOMAX EXPLORATION COMPANY - 23.78125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES

SEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE $\frac{1}{4}$ NW $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

....ML 22060 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 13.313850% interest in operating rights from surface to Base of Green River Formation in part of lands: SW $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32, T8S, R17E, SLB&M., 120.00 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
 NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 64.5003%,
 WAR-GAL, L.L.C. - 13.210397%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.014053%,
 NEWFIELD PRODUCTION COMPANY - 3.77525%

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
 NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION

T8S, R17E, SLB&M. 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 64.5003%,
 WAR-GAL, L.L.C. - 13.210397%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.014053%,
 NEWFIELD PRODUCTION COMPANY - 3.77525%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M. 32.71 ACRES****SEC. 32: LOT 3 (SW¹/₄NW¹/₄)**

LOMAX EXPLORATION CO. - 56.24069%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.710524%,
 BEE HIVE OIL, L.L.C. - 6.241736%,
 NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRES**SEC. 32: LOTS 4, 5 (SE¹/₄NW¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRES**SEC. 32: LOTS 7, 8, 10, 11 (W¹/₂SE¹/₄, SE¹/₄SW¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 WAR-GAS, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES**SEC. 32: LOT 9 (SE¹/₄SE¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 WAR-GAL, L.L.C. - 13.31385%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRES**SEC. 32: SE¹/₄NE¹/₄, NW¹/₄NE¹/₄**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NE¹/₄SE¹/₄**

LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 32.71 ACRES**SEC. 32: LOT 3 (SW¹/₄NW¹/₄)**

LOMAX EXPLORATION COMPANY - 56.24069%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.710524%,
 BEE HIVE OIL, L.L.C. - 6.241736%,
 NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRES**SEC. 32: LOTS 4, 5, (SE¹/₄NW¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRES**SEC. 32: LOTS 7, 8, 10, 11 (W¹/₂SE¹/₄, SE¹/₄SW¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES**SEC. 32: LOT 9 (SE¹/₄SE¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 WAR-GAL, L.L.C. - 13.31385%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
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T8S, R17E, SLB&M. 80.00 ACRES**SEC. 32: SE¹/₄NE¹/₄, NW¹/₄NE¹/₄**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
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 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NE¹/₄SE¹/₄**

LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M. 120.00 ACRES****SEC. 32: SW¹/₄NE¹/₄, NE¹/₄NE¹/₄, SW¹/₄SW¹/₄**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES**SEC. 32: LOT 6 (NE¹/₄SW¹/₄)**

LOMAX EXPLORATION CO - 53.78125%
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NW¹/₄SW¹/₄**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NE¹/₄NW¹/₄**

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

T8S, R17E, SLB&M. 120.00 ACRES**SEC. 32: SW¹/₄NE¹/₄, NE¹/₄NE¹/₄, SW¹/₄SW¹/₄**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES**SEC. 32: LOT 6 (NE¹/₄SW¹/₄)**

LOMAX EXPLORATION COMPANY - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NW¹/₄SW¹/₄**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
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T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NE¹/₄NW¹/₄**

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

....ML 22060 (SCH)....

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 13.313850% interest in operating rights from surface to Base of Green River Formation in part of lands: NE $\frac{1}{4}$ SW $\frac{1}{4}$ (Lot 6) Sec. 32, T8S, R17E, SLB&M., 34.71 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION**T8S, R17E, SLB&M.** 28.34 ACRESSEC. 32: LOTS 1, 2 (NW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRESSEC. 32: LOT 3 (SW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION CO. - 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRESSEC. 32: LOTS 4, 5 (SE $\frac{1}{4}$ NW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 26.80138%,
WAR-GAL, L.L.C. - 14.221027%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.474143%,
NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRESSEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.1027%,
WAR-GAS, L.L.C. - 13.313850%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRESSEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.38649%,
WAR-GAL, L.L.C. - 13.31385%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .23851%

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION**T8S, R17E, SLB&M.** 28.34 ACRESSEC. 32: LOTS 1, 2 (NW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
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NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRESSEC. 32: LOT 3 (SW $\frac{1}{4}$ NW $\frac{1}{4}$)

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BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRESSEC. 32: LOTS 4, 5, (SE $\frac{1}{4}$ NW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 26.80138%,
WAR-GAL, L.L.C. - 14.221027%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.474143%,
NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRESSEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.1027%,
WAR-GAL, L.L.C. - 13.313850%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRESSEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.38649%,
WAR-GAL, L.L.C. - 13.31385%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .23851%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M. 80.00 ACRES**SEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$

LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRESSEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRESSEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION CO - 53.78125%
 NEWFIELD RMI LLC - 20%,
BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ NW $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

T8S, R17E, SLB&M. 80.00 ACRESSEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRESSEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRESSEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 53.78125%,
 NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.313850%,
BEE HIVE OIL, L.L.C. 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ NW $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 13.313850% interest in operating rights from surface to Base of Green River Formation in part of lands: NW¼SW¼ Sec. 32, T8S, R17E, SLB&M., 40.00 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION**T8S, R17E, SLB&M.** 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION CO. - 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRES

SEC. 32: LOTS 4, 5 (SE¼NW¼)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 26.80138%,
WAR-GAL, L.L.C. - 14.221027%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.474143%,
NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRES

SEC. 32: LOTS 7, 8, 10, 11 (W½SE¼, SE¼SW¼)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.1027%,
WAR-GAS, L.L.C. - 13.313850%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES

SEC. 32: LOT 9 (SE¼SE¼)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.38649%,
WAR-GAL, L.L.C. - 13.31385%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .23851%

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION**T8S, R17E, SLB&M.** 28.34 ACRES

SEC. 32: LOTS 1, 2 (NW¼NW¼)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES

SEC. 32: LOT 3 (SW¼NW¼)

LOMAX EXPLORATION COMPANY - 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRES

SEC. 32: LOTS 4, 5, (SE¼NW¼)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 26.80138%,
WAR-GAL, L.L.C. - 14.221027%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.474143%,
NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRES

SEC. 32: LOTS 7, 8, 10, 11 (W½SE¼, SE¼SW¼)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.1027%,
WAR-GAL, L.L.C. - 13.313850%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES

SEC. 32: LOT 9 (SE¼SE¼)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.38649%,
WAR-GAL, L.L.C. - 13.31385%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .23851%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M. 80.00 ACRES**

SEC. 32: SE¼NE¼, NW¼NE¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE¼SE¼

LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRES

SEC. 32: SW¼NE¼, NE¼NE¼, SW¼SW¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES

SEC. 32: LOT 6 (NE¼SW¼)

LOMAX EXPLORATION CO - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NW¼SW¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
BEE HIVE OIL, L.L.C. - 19.375%,
 NEWFIELD RMI LLC - 12.5%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE¼NW¼

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

T8S, R17E, SLB&M. 80.00 ACRES

SEC. 32: SE¼NE¼, NW¼NE¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE¼SE¼

LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRES

SEC. 32: SW¼NE¼, NE¼NE¼, SW¼SW¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES

SEC. 32: LOT 6 (NE¼SW¼)

LOMAX EXPLORATION COMPANY - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NW¼SW¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE¼NW¼

LOMAX EXPLORATION COMPANY - 47.5625%,
 BEE HIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 26.627701% interest in operating rights from surface to Base of Green River Formation in part of lands: NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 32, T8S, R17E, SLB&M., 40.00 acres, in and to the lease listed below to War-Gal, L.L.C., 17350 State Highway 249, #140, Houston, TX 77064-1132, by Bee Hive Oil, L.L.C. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION**T8S, R17E, SLB&M.** 28.34 ACRESSEC. 32: LOTS 1, 2 (NW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRESSEC. 32: LOT 3 (SW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION CO.- 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRESSEC. 32: LOTS 4, 5 (SE $\frac{1}{4}$ NW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 26.80138%,
WAR-GAL, L.L.C. - 14.221027%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. 6.474143%,
NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRESSEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.1027%,
WAR-GAS, L.L.C. - 13.313850%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRESSEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.38649%,
WAR-GAL, L.L.C. - 13.31385%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .23851%

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION**T8S, R17E, SLB&M.** 28.34 ACRESSEC. 32: LOTS 1, 2 (NW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 64.5003%,
WAR-GAL, L.L.C. - 13.210397%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.014053%,
NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRESSEC. 32: LOT 3 (SW $\frac{1}{4}$ NW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 56.24069%,
NEWFIELD RMI LLC - 20%,
WAR-GAL, L.L.C. - 13.710524%,
BEE HIVE OIL, L.L.C. - 6.241736%,
NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRESSEC. 32: LOTS 4, 5, (SE $\frac{1}{4}$ NW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 26.80138%,
WAR-GAL, L.L.C. - 14.221027%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.474143%,
NEWFIELD PRODUCTION COMPANY - 2.50345%

T8S, R17E, SLB&M. 110.77 ACRESSEC. 32: LOTS 7, 8, 10, 11 (W $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.1027%,
WAR-GAL, L.L.C. - 13.313850%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRESSEC. 32: LOT 9 (SE $\frac{1}{4}$ SE $\frac{1}{4}$)

ENSERCH EXPLORATION INC. - 37.5%,
LOMAX EXPLORATION COMPANY - 30.38649%,
WAR-GAL, L.L.C. - 13.31385%,
NEWFIELD RMI LLC - 12.5%,
BEE HIVE OIL, L.L.C. - 6.061150%,
CLASS 10 LIQ. TRUST - .23851%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M. 80.00 ACRES**SEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$

LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRESSEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRESSEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION CO - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 80.00 ACRESSEC. 32: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ SE $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRESSEC. 32: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRESSEC. 32: LOT 6 (NE $\frac{1}{4}$ SW $\frac{1}{4}$)

LOMAX EXPLORATION COMPANY - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M. 40.00 ACRES****SEC. 32: NE¹/₄NW¹/₄**

LOMAX EXPLORATION COMPANY - 47.5625%,
BEEHIVE OIL, L.L.C. - 38.75%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

T8S, R17E, SLB&M. 40.00 ACRES**SEC. 32: NE¹/₄NW¹/₄**

LOMAX EXPLORATION COMPANY - 47.5625%,
WAR-GAL, L.L.C. - 26.627701%,
BEE HIVE OIL, L.L.C. - 12.122299%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

....ML 22060 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 25% interest in operating rights limited in depths below the Base of the Green River Formation in and to the lease listed below to Newfield RMI LLC, 1401 17th Street, Suite 1000, Denver, CO 82002, by Key Production, Inc. No override, previous overrides of record. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
 NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION**T8S, R17E, SLB&M. 28.34 ACRES****SEC. 32: LOTS 1, 2 (NW¹/₄NW¹/₄)**

LOMAX EXPLORATION COMPANY - 64.5003%,
 WAR-GAL, L.L.C. - 13.210397%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.014053%,
 NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES**SEC. 32: LOT 3 (SW¹/₄NW¹/₄)**

LOMAX EXPLORATION CO. - 56.24069%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.710524%,
 BEE HIVE OIL, L.L.C. - 6.241736%,
 NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRES**SEC. 32: LOTS 4, 5 (SE¹/₄NW¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

RECORD TITLE:

NEWFIELD PRODUCTION COMPANY - 75%,
 NEWFIELD RMI LLC - 25%

OPERATING RIGHTS: SURFACE TO BASE OF GREEN RIVER FORMATION**T8S, R17E, SLB&M. 28.34 ACRES****SEC. 32: LOTS 1, 2 (NW¹/₄NW¹/₄)**

LOMAX EXPLORATION COMPANY - 64.5003%,
 WAR-GAL, L.L.C. - 13.210397%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.014053%,
 NEWFIELD PRODUCTION COMPANY - 3.77525%

T8S, R17E, SLB&M. 32.71 ACRES**SEC. 32: LOT 3 (SW¹/₄NW¹/₄)**

LOMAX EXPLORATION COMPANY - 56.24069%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.710524%,
 BEE HIVE OIL, L.L.C. - 6.241736%,
 NEWFIELD PRODUCTION COMPANY - 3.80705%

T8S, R17E, SLB&M. 34.88 ACRES**SEC. 32: LOTS 4, 5, (SE¹/₄NW¹/₄)**

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 26.80138%,
 WAR-GAL, L.L.C. - 14.221027%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.474143%,
 NEWFIELD PRODUCTION COMPANY - 2.50345%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M. 110.77 ACRES**

SEC. 32: LOTS 7, 8, 10, 11 (W½SE¼, SE¼SW¼)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 WAR-GAS, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES

SEC. 32: LOT 9 (SE¼SE¼)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 WAR-GAL, L.L.C. - 13.31385%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRES

SEC. 32: SE¼NE¼, NW¼NE¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 BEE HIVE OIL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE¼SE¼

LOMAX EXPLORATION CO. - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRES

SEC. 32: SW¼NE¼, NE¼NE¼, SW¼SW¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES

SEC. 32: LOT 6 (NE¼SW¼)

LOMAX EXPLORATION CO - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 110.77 ACRES

SEC. 32: LOTS 7, 8, 10, 11 (W½SE¼, SE¼SW¼)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.1027%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .5223%

T8S, R17E, SLB&M. 37.26 ACRES

SEC. 32: LOT 9 (SE¼SE¼)

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.38649%,
 WAR-GAL, L.L.C. - 13.31385%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .23851%

T8S, R17E, SLB&M. 80.00 ACRES

SEC. 32: SE¼NE¼, NW¼NE¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 30.19094%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 CLASS 10 LIQ. TRUST - .43406%

T8S, R17E, SLB&M. 40.00 ACRES

SEC. 32: NE¼SE¼

LOMAX EXPLORATION COMPANY - 56.68002%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 3.94498%

T8S, R17E, SLB&M. 120.00 ACRES

SEC. 32: SW¼NE¼, NE¼NE¼, SW¼SW¼

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 23.78125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

T8S, R17E, SLB&M. 34.71 ACRES

SEC. 32: LOT 6 (NE¼SW¼)

LOMAX EXPLORATION COMPANY - 53.78125%,
 NEWFIELD RMI LLC - 20%,
 WAR-GAL, L.L.C. - 13.313850%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%,
 KING OIL & GAS OF TEXAS, LTD. - 2.25%,
 PUCKETT-D'LO, L.L.C. - 2.25%

OPERATING RIGHTS ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)**T8S, R17E, SLB&M.** 40.00 ACRESSEC. 32: NW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%,
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ NW $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 47.5625%,
 WAR-GAL, L.L.C. - 26.627701%,
 BEE HIVE OIL, L.L.C. - 12.122299%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

BELOW BASE OF GREEN RIVER FORMATION**T8S, R17E, SLB&M.** 598.67 ACRESSEC. 32: ***LOTS 1-11, NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$,
S $\frac{1}{2}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$***

NEWFIELD RMI LLC - 38.25%,
 NEWFIELD PRODUCTION COMPANY - 36.75%
KEY PRODUCTION, INC. - 25%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NW $\frac{1}{4}$ SW $\frac{1}{4}$

ENSERCH EXPLORATION INC. - 37.5%,
 LOMAX EXPLORATION COMPANY - 28.28125%,
 WAR-GAL, L.L.C. - 13.313850%,
 NEWFIELD RMI LLC - 12.5%,
 BEE HIVE OIL, L.L.C. - 6.061150%
 NEWFIELD PRODUCTION COMPANY - 2.34375%

T8S, R17E, SLB&M. 40.00 ACRESSEC. 32: NE $\frac{1}{4}$ NW $\frac{1}{4}$

LOMAX EXPLORATION COMPANY - 47.5625%,
 WAR-GAL, L.L.C. - 26.627701%,
 BEE HIVE OIL, L.L.C. - 12.122299%,
 NEWFIELD PRODUCTION COMPANY - 4.6875%,
 KING OIL & GAS OF TEXAS, LTD. - 4.5%,
 PUCKETT-D'LO, L.L.C. - 4.5%

BELOW BASE OF GREEN RIVER FORMATION**T8S, R17E, SLB&M.** 598.67 ACRESSEC. 32: ***LOTS 1-11, NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$,
S $\frac{1}{2}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$***

NEWFIELD RMI LLC - 63.25%,
 NEWFIELD PRODUCTION COMPANY - 36.75%

....ML 22060 (SCH)....

TERMINATION OF ML-45209 AND REFUND OF SHUT-IN PAYMENTS - OIL, GAS & HYDROCARBON (SCH)

Due to lack of consistent, regular production from the wells listed below, the operator, SW Energy Corp. was notified that the wells were subject to cancellation and allowed them to provide information to keep the above-numbered lease in effect. There was no response and the lessee was subsequently notified that the lease was canceled effective October 3, 2007. Last regular production was recorded at the Division of Oil, Gas and Mining in 1997. SITLA visually inspected the locations and believes the wells are currently not capable of production. SW Energy Corp. paid the 2007-2008 shut in payments in the amount of \$1,765 which were erroneously accepted by the Agency and should now be refunded.

State 1-16A

(API 4301930783)

Suniland St. A-2

(API 4301910833)

Upon recommendation of Ms. Garrison, the Director approved the cancellation of ML 45209 effective November 1, 2007, and **refund of shut-in payments in the amount of \$1,765.**

S U R F A C E A C T I O N S

GRAZING PERMITS

GRAZING PERMIT NO. 23253 (APPROVAL)

Allred Sheep Company
70 South 250 West
P. O. Box 96
Fountain Green, UT 84632

2,093.8 Acres 158 AUMs School Fund Juab County

First Year's Rental: \$331.29
Application Fee: \$50.00

| <u>T12S, R3W, SLB&M</u> | <u>Acres</u> | <u>AUMs</u> |
|----------------------------------|--------------|-------------|
| Section 34: Lots 1, 4, E½, E½NW¼ | 485.11 | 37 |
| Section 35: All | 640.0 | 48 |

| <u>T13S, R3W, SLB&M</u> | | |
|-----------------------------|--------|----|
| Section 3: All | 488.69 | 37 |
| Section 10: All | 480.0 | 36 |

The term of this permit begins July 1, 2007, and expires June 30, 2022. The season of use is March 15 through May 15. The allotment name is Shearing. The type of livestock is sheep. Note: This permit replaces GP 61-B, which expired on September 30, 2007.

Upon recommendation of Mr. Scott Chamberlain, the Director approved Grazing Permit No 23253.

GRAZING PERMIT NO. 22207 (ASSIGNMENT)

Kevin Beckstrom, personal representative for Merrill Beckstrom, 3410 West 7300 South, Spanish Fork, UT 84660, has requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to Dennis Richins and Kory Richins, P.O. Box 143, Henefer, UT 84033. A copy of the death certificate and a document showing the Successor General Co-Personal Representatives are in the file. The assignment fee in the amount of \$224.00 has been submitted. Juab County. School Fund.

Upon recommendation of Mr. Scott Chamberlain, the Director approved the assignment of GP 22207.

RIGHTS OF ENTRY**RIGHT OF ENTRY NO. 5120 (APPROVAL)**

The School and Institutional Trust Lands Administration has received a right of entry application from Clyde Companies, Inc., P.O. Box 1955, Orem, UT 84059, to occupy the following described trust land located within Sanpete County for the purpose of digging approximately 12 test pits to evaluate the quantity and quality of the aggregate on the property. This is an existing gravel pit and there will be no new surface disturbance.

Township 20 South, Range 1 West, SLB&M

Sec 14: within

The fee for this right of entry is \$200.00 plus a \$50.00 application and a \$50.00 processing fee, totaling \$300.00. Reservoirs Fund. Sanpete County. Beginning Date: January 18, 2008. Expiration Date: April 18, 2008.

Upon recommendation of Mr. Lou Brown, the Director approved the above listed Right of Entry for a term of three months.

RIGHT OF ENTRY NO. 5122 (APPROVAL)

On January 15, 2008, the School and Institutional Trust Lands Administration received an application from The World Outdoors, c/o William L. Marriner, 2840 Wilderness Place, Suite D, Boulder, CO 80301, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits which grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, to conduct commercial tours for a one-year term.

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts, based on number of clients, number of client days, and percentage of time spent on trust land, within 30 days of permit expiration date. The beginning date of this permit will be May 1, 2008, the date their current right of entry permit (ROE 5047) expires. The expiration date will be April 30, 2009. Funding: School = 96.00%, U = 0.72%, Deaf = 0.17%, USH = 0.09%, Blind = 0.51%, MH = 0.20%, NS = 0.19%, PB = 0.09%, SYDC = 0.04%, RES = 1.40%, SM = 0.18%, UNIV = 0.41%.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5122 for a one-year term.

RIGHT OF ENTRY NO. 5123 (APPROVAL)

On January 15, 2008, the School and Institutional Trust Lands Administration received an application from Adventure Travel West, Inc., P.O. Box 121, Idledale, CO 80543, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits that grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, to conduct commercial tours for a one-year term.

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts, based on number of clients, number of client days, and percentage of time spent on trust lands, within 30 days of permit expiration date. The beginning date for this right of entry will be June 1, 2008, the date their current right of entry permit (ROE 5055) expires. The expiration date will be May 31, 2009. Funding: School = 96.00%, U = 0.72%, Deaf = 0.17%, USH = 0.09%, Blind = 0.51%, MH = 0.20%, NS = 0.19%, PB = 0.09%, SYDC = 0.04%, RES = 1.40%, SM = 0.18%, UNIV = 0.41%.

Upon recommendation of Ms. Jeanine Kleinke, the Director approved Right of Entry No. 5123 for a one-year term.

EASEMENTS**EASEMENT NO. 1334 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Questar Gas Management
1955 Blairtown Road
P.O. Box 2819
Rock Springs, Wyoming 82902

LEGAL DESCRIPTION:

Township 10 South, Range 16 East, SLB&M
Section 36: S $\frac{1}{2}$ N $\frac{1}{2}$ (within)

A 50 foot wide easement, 25 feet on each side of the following described centerline:

Beginning at a point on the east line of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 36, T10S, R16E, SLB&M, which bears N 00°07'00" E 160.63 feet from the east $\frac{1}{4}$ corner of said Section 36; thence S 88°59'28" W 202.33 feet; thence S 88°36'26" W 3542.96 feet; thence S 88°27'03" W 1537.65 feet to a point on the west line of the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 36 which bears N 00°05'39" E 11.42 feet from the west $\frac{1}{4}$ corner of said Section 36. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 6.064 acres more or less.

Township 10 South, Range 17 East, SLB&M
Section 32: N $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$ (within)

A 50 foot wide easement, 25 feet on each side of the following described centerline:

Beginning at a point on the north line of the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 32, T10S, R17E, SLB&M, which bears N 89°32'15" W 630.25 feet from the northeast corner of said Section 32, thence S 79°38'01" W 396.81 feet; thence S 67°53'47" W 646.54 feet; thence N 63°22'41" W 458.81 feet; thence S 61°32'42" W 605.03 feet; thence S 59°16'13" W 1338.49 feet; thence S 74°55'16" W 1587.29 feet; thence S 77°54'04" W 43.88 feet to a point on the west line of the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 32 which bears N 00°03'48" E 1136.01 feet from the west $\frac{1}{4}$ corner of said Section 32. The side lines of said described easement being shortened or elongated to meet the Grantor's property lines. Basis of bearings is a G.P.S. observation. Contains 5.827 acres more or less.

COUNTY: Duchesne

ACRES: 11.891

FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain a 16-inch diameter buried natural gas pipeline in Duchesne County. The pipeline will begin at the Water Canyon Compressor located in Sec. 33, T11S, R15E, and end at a block valve located in Sec. 14, T10S, R18E. The pipeline will be used to service wells operated by Bill Barrett and others upstream of the compressor. The proposed easement corridor on trust lands is 10,359.79 feet long and 50 feet wide, containing 11.891 acres. The proposed term of the easement is 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on November 19, 2007. Comments were received from the Department of Environmental Quality/Division of Air Quality, the Utah Geological Survey and the Duchesne County Commission as follows:

EASEMENT NO. 1334 (APPROVAL) (CONTINUED)**Department of Environmental Quality/Division of Air Quality:**

"This proposal may require a permit, known as an Approval Order, from the Executive Secretary of the Air Quality Board if any compressor or pump stations are constructed at the site. If a permit is required, a permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 North 1950 West, Salt Lake City, Utah, 84116, for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The guidelines for preparing an NOI are available online at <http://www.airquality.utah.gov/Permits/FORMS/NOIGuide8.pdf>

"In addition, the project is subject to R307-205-5, Fugitive Dust, since the project could have a short-term impact on air quality due to the fugitive dust that could be generated during the excavation and construction phases of the project. An Approval Order is not required solely for the control of fugitive dust, but steps need to be taken to minimize fugitive dust, such as watering and/or chemical stabilization, providing vegetative or synthetic cover, or windbreaks. A copy of the rules may be found at: www.rules.utah.gov/public/code/r307/r307.htm."

Utah Geological Survey:

"There are known significant vertebrate fossil localities recorded in our files in or near this project area, and the Eocene Uinta Formation exposed here has the potential for yielding additional significant vertebrate fossil localities. The Office of the State Paleontologist, therefore, recommends a paleontological survey be conducted for this project and its easements by a paleontologist with a valid permit."

Duchesne County Commission:

"Duchesne County has a public land use plan, which contains the following policies regarding energy development activities on public lands:

"Energy and Mineral Resources:

"The oil and gas industry has been a significant economic factor in Duchesne County since the early 1970's. The industry provides employment and economic opportunity and accounts for a significant percentage of the County's tax base. For three decades, the wealth created by oil and gas development has provided for the growth of local government services. It has helped build schools, roads, public buildings, utility infrastructure, and family fortunes. Historically, much of this activity has taken place on private land. Trends since the late 1980's have emphasized development of oil and gas on public lands. Access to public lands is critical to the development of energy and mineral resources.

"It is the position of Duchesne County that:

"a. Access to public lands for mineral development must be increased in the economic interest of the County citizens and government.

"b. Mineral exploration and development are consistent with the multiple use philosophy for management of public lands. These activities constitute a temporary use of the land that will not impair its use for other purposes in the future. All oil and mineral exploration activities shall comply with appropriate laws and regulations.

EASEMENT NO. 1334 (APPROVAL) (CONTINUED)

"c. Identification of energy and mineral potential and location is important for planning future energy needs and resource management. Agencies shall plan, fund, and encourage by way of policy, management decisions relative to energy resources.

"d. All management plans must address and analyze the possibility for the development of minerals where there is a reasonable expectation of their occurrence within the planning area.

"e. After environmental analysis, and as provided for in the governing resource management plan, all tracts will be available and offered for lease or open to be claimed as provided by law. Duchesne County recognizes that, while all BLM administered land within the County is currently available for lease, decisions are made regarding oil and gas leases through the land use planning process. Alternatives identify areas where leasing may occur with standard lease terms, timing, and controlled surface use stipulations, or no surface occupancy. Additionally, some areas may be considered for no leasing in the future.

"f. All permits and applications must be processed on a timely basis, in accordance with Onshore Oil and Gas Order Number 1. Procedures and required contents of application must be provided to the applicant at the time of application.

"g. Development of the solid, fluid, and gaseous mineral resources of the state should be encouraged, the waste of fluid and gaseous minerals within developed areas should be prohibited, and requirements to mitigate or reclaim mineral development projects should be based on credible evidence of significant impacts to natural or cultural resources.

"The proposal to construct a gas pipeline within the proposed easement would comply with these Duchesne County policies and the County urges SITLA approval of the request. Thank you for the opportunity to comment."

Pursuant to the comments received from the Utah Geological Survey, the project area has been surveyed for paleontological resources by Intermountain Paleo-consulting (Report No. 07-69). No fossils were observed along the course of the proposed pipeline on trust lands; therefore, the project is cleared without further mitigation. If any fossils are discovered during construction, a qualified paleontologist should be notified immediately to evaluate the discovery.

The project area has been surveyed for cultural resources by Montgomery Archaeological Consultants (U-07-MQ-0219bps) with a finding of "Historic Properties Not Affected." The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed the project and concur with this finding.

EVALUATION OF FACTS:

1. The proposed easement is not located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

EASEMENT NO. 1334 (APPROVAL) (CONTINUED)

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1334 for a term of 30 years beginning January 1, 2008, and expiring December 31, 2037, with the easement fee being \$11,301.59 plus the \$750.00 application fee. The administrative fee required pursuant to R850-40-1800 has been paid in a one-time payment of \$1,000.00.

RIGHT OF WAY NO. 2669 (RELINQUISHMENT)

PacifiCorp, DBA Rocky Mountain Power, 1407 W. North Temple, Suite 110, Salt Lake City, Utah, 84116, submitted a letter dated January 14, 2008, stating that it desires to relinquish Right of Way No. 2669. This right of way was issued on November 21, 1983, for a perpetual term. The purpose of the right of way was a distribution power line to service a radio tower. The power line was never constructed and the right of way has been deemed unnecessary by the grantee.

LEGAL DESCRIPTION:

Township 4 South, Range 20 East, SLB&M

Section 24: SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, Lots 3 & 4 (within)

Township 4 South, Range 21 East, SLB&M

Section 19: Lot 4 (within)

A right of way 10 feet in width, being 5 feet on each side of the following described survey line (for a 12.5 kV power line):

Beginning on the south boundary line of the Grantor's land at a point 405 feet east, more or less, from the southwest quarter corner of Section 19, Township 4 South, Range 21 East, S.L.M., thence N 36°20' W 3105 feet, more or less, to an existing pole on said land and being in Lot 4 of said Section 19, in the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$, the NW $\frac{1}{4}$ of the SE $\frac{1}{4}$, and in Lots 3 and 4 of Section 24, Township 4 South, Range 20 East, S.L.M.

Except that portion of line across, over and/or upon State Highway 121 right of way.

COUNTY: Uintah

ACRES: 0.71

FUND: School

Upon the recommendation of Mr. Chris Fausett, the Director approved the relinquishment and termination of Right of Way No. 2669.

SPECIAL USE LEASE AGREEMENTS**SPECIAL USE LEASE AGREEMENT NO. 1555 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

Coastal Plains Energy, Inc.
 420 Throckmorton, Suite 630
 Fort Worth, Texas 76102-3723

APPLICATION TYPE: INDUSTRIAL

TERMS: 30 years

BEGINNING DATE: February 1, 2008

ENDING DATE: January 31, 2038

NEXT REVIEW DATE: February 1, 2013

FIRST YEAR RENTAL: \$1,000.00

APPLICATION FEE: 250.00

PROCESSING FEE: 700.00

ADVERTISING FEE: 149.76

TOTAL SUBMITTED: \$2,099.76

LEGAL DESCRIPTION:

Township 15 South, Range 9 East, SLB&M
 Section 26: NE $\frac{1}{4}$ SE $\frac{1}{4}$ (within)

Beginning at a point which lies S 00°03'43" E 967.93 feet along the section line from the East Quarter Corner of Section 26, Township 15 South, Range 9 East of the Salt Lake Base and Meridian; thence S 89°16'57" W 141.05 feet; thence S 00°45'03" E 326.72 feet; thence N 75°12'18" E 145.22 feet to the easterly line of Section 26; thence along said line N 00°43'03" W 291.40 feet to the point of beginning.

COUNTY: Carbon

ACRES: 1.00

FUND: School

PROPOSED ACTION:

The applicant proposes to construct, operate, and maintain a metering station and compressor facility prior to gas entering Questar's natural gas pipeline. The proposed term of the lease is 30 years.

RELEVANT FACTUAL BACKGROUND:

The application was advertised in a paper of local circulation in Carbon County. In addition, Carbon County was notified of the action and a copy of the notice was sent to all lessees, permittees, and adjoining landowners. The required public notice process has been completed pursuant to the requirements of R850-30-500(2)(d) and R850-30-500(2)(e). There were no competing applications received during the notice period.

The Resource Development Coordinating Committee ("RDCC") review was initiated October 18, 2007, and no comments were received.

The Carbon County Commission and the Southeastern Association of Local Governments were notified, and the Southeastern Association of Local Governments commented that they supported the project.

A cultural resource inventory has been completed by Senco-Phenix, U-07-SC-0911b,s, and reviewed by the Trust Lands Administration's staff. There were no sites recorded on the subject property, therefore "no historic properties affected."

SPECIAL USE LEASE AGREEMENT NO. 1555 (APPROVAL)**EVALUATION OF FACTS:**

Competing applications were solicited pursuant to R850-30-500(2) and no competing applications were received. The application was reviewed pursuant to R850-30-500(2)(g) and the applicant was notified of the need to submit a sealed bid pursuant to R850-30-500(2)(f). The applicant submitted a sealed bid in the amount of \$1,000.00 per year for the 1.00 acre for the lease site. This amount exceeds the market value of the subject property. The lease will contain a clause providing for escalation of the annual rental fee at the end of each five-year period utilizing the approved index.

This action qualifies as exclusion to the narrative record of decision because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Kurt Higgins, the Director approved the issuance of SULA 1555 with a beginning annual rental of \$1,000.00. The term of the lease will be 30 years, with a five-year review pursuant to R850-30-400.

SPECIAL USE LEASE AGREEMENT NO. 495 (EXPIRATION)

The above-referenced special use lease, issued to Merle Montague, expired on December 31, 2007. This lease was for agricultural use on trust lands located in Rich County. School Fund. Trust Lands Administration records should be noted to show this expiration.

This item was submitted by Mr. Scott Chamberlain for record-keeping purposes.

SPECIAL USE LEASE AGREEMENT NO. 1126 (AMENDMENT - TERM EXTENSION)

SULA 1126 is issued to the Bureau of Land Management, Field Office Manager, 125 South 600 West, Price, UT 84501-7004. This lease was approved on March 1, 1998, for a ten-year term. The lease is for a trail head development which includes a small parking lot, a class C vault toilet, vehicle barriers, an information bulletin board, and a pathway approximately 100 feet long. It is the trailhead into the Little Wildhorse Canyon recreation area. This lease will expire its term on February 28, 2008. The applicant is requesting that the lease term be extended for an additional 40 years. This will give this lease a total term of 50 years, which is within the term allowed by R850-30-200(3)(g).

The lease is on the Agency's current lease form and includes a three-year review clause. The next lease review will be March 1, 2010. The lease is currently returning fair market value rentals for the property. A \$400.00 amendment fee has been paid by the applicant.

Although lease amendments are not specifically exempted from the narrative record of decision process, it has been determined that this action is not substantive, nor does it warrant the time and expense necessary to complete a full narrative record.

Upon recommendation from Mr. Lou Brown, the Director approved the amendment of term from 10 years to 50 years on SULA 1126, with the new expiration date being February 29, 2048.

SPECIAL USE LEASE AGREEMENT NO. 776 (FIVE-YEAR REVIEW)

SULA 776 is leased to The Division of Facility Construction and Management, Property Manager, 4110 State Office Bldg., Salt Lake City, UT 84114. This is a government lease for a water storage tank site in Sanpete County (Gunnison Prison). School Fund.

1. **ANNUAL RENTAL:**

The five-year review date for this lease is March 1, 2008. The subject property is used for a water storage reservoir. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. The CPI adjusted rental is greater than the preliminary market value rental estimate. Therefore, it is recommended that the CPI index be used to adjust the annual rental from \$1,284.92 per year to \$1,430.00 per year, effective March 1, 2008. A certified notice was sent to inform the lessee of the date of this action and the right to oppose and/or appeal the action. No response was received.

New lease fee: \$1,430.00

Acres in lease: 1.01 acres

Rental per acre: \$1,415.84

2. **DUE DILIGENCE:**

The development allowed by the lease has occurred. It is recommended that the lease be kept in force.

3. **PROPER USE:**

The leased premises are being used in accordance with the lease agreement.

4. **ADEQUATE INSURANCE AND BOND COVERAGE:**

The lessee is insured under the State of Utah Risk Management, which covers liability on this lease. The lease allows for a bond to be required any time during the lease at the discretion of the Agency. It has been determined that a bond is not required at this time.

5. **ESTABLISHMENT OF WATER RIGHTS:**

There are no water rights associated with this lease which are vested with the Trust Lands Administration. The water rights that are being used in conjunction with this lease originate on other lands and are municipal rights for use at the prison.

6. **POLLUTION AND SANITATION REGULATIONS:**

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.

7. **NEXT ASSESSMENT DATE:**

The next assessment date will be March 1, 2013.

Upon recommendation of Mr. Lou Brown, the Director approved the five-year review for SULA 776 .

SPECIAL USE LEASE AGREEMENT 1201 (THREE-YEAR REVIEW)

SULA 1201 is a telecommunications lease issued to Crown Communication, Inc., 2000 Corporate Drive, Canonsburg, PA 15317. The lease site is located in Millard County. School Fund.

1. **ANNUAL BASE RENTAL:**

The three-year review date for this telecommunication lease is February 1, 2008. The subject property is used for a cellular communications tower on the Fillmore (Cedar Mountain) site. Pursuant to the lease agreement, the annual base rental shall be increased from \$7,900.00 per year to \$ 9,100.00, effective February 1, 2008. Staff has given notice to the lessee and discussed the annual base rental increase with them.

Subleasing: Any subleasing revenue shall be assessed in addition to the annual base rental amounts discussed above. Subleasing rentals are also adjusted pursuant to the terms of the lease and evaluated in a separate action.

Preliminary Estimate of Land Value: \$230.00 (Based on \$1,000.00 per acre)

New Annual Base Rental Amount: \$9,100.00

Acres in Lease: 0.23

Rental Amount Per Acre: \$39,565.00

The existing communication lease site is considered the highest and best use of a small parcel of this type of land. The difference in the fair market value of the subject parcel and the surrounding lands valued as raw lands vs. the highest and best use return as a communication site is significant.

2. **DUE DILIGENCE AND PROPER USE:**

The development allowed by the lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement.

3. **ADEQUATE INSURANCE AND BOND COVERAGE:**

Insurance coverage is current and adequate for the lease agreement. The lease provides for the acquisition of a bond. There is currently no known bond for the lease, but staff is currently contacting the lessee and requesting a bond for the site.

4. **ESTABLISHMENT OF WATER RIGHTS:**

There are no water rights associated with this lease.

5. **POLLUTION AND SANITATION REGULATIONS:**

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.

6. **NEXT REVIEW DATE:**

The next review date will be February 1, 2011.

Upon recommendation of Mr. Gary Bagley, the Director approved the three-year review for SULA 1201.

SPECIAL USE LEASE AGREEMENT 1202 (THREE-YEAR REVIEW)

SULA 1202 is a telecommunications lease issued to Crown Communication, Inc., 2000 Corporate Drive, Canonsburg, PA 15317. The lease site is located in Iron County. School Fund.

1. **ANNUAL BASE RENTAL:**

The three-year review date for this telecommunication lease is February 1, 2008. The subject property is used for a cellular communications tower on the Locust Hill (Kanarraville) site. Pursuant to the lease agreement, the annual rental shall be increased from \$7,900.00 per year to \$9,100.00 per year, effective February 1, 2008. Staff has given notice to the lessee and discussed the annual base rental increase with them. They acknowledged that they knew of the increase.

Subleasing: There are no co-located tenants on this lease.

Preliminary Estimate of Land Value: \$230.00 (Based on \$1,000.00 per acre)

New Annual Base Rental Amount: \$9,100.00

Acres in Lease: 0.23

Rental Amount Per Acre: \$39,565.00

The existing communication lease site is considered the highest and best use of a small parcel of this type of land. The difference in the fair market value of the subject parcel and the surrounding lands valued as raw lands vs. the highest and best use return as a communication site is significant.

2. **DUE DILIGENCE AND PROPER USE:**

The development allowed by the lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement. The tower is there and operating, but there are no tenants or occupants on the tower at this time.

3. **ADEQUATE INSURANCE AND BOND COVERAGE:**

Insurance coverage is current and adequate for the lease agreement. The lease provides for the acquisition of a bond. There is currently no known bond for the lease, but staff is currently contacting the lessee and requesting a bond for the site.

4. **ESTABLISHMENT OF WATER RIGHTS:**

There are no water rights associated with this lease.

5. **POLLUTION AND SANITATION REGULATIONS:**

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.

6. **NEXT REVIEW DATE:**

The next review date will be February 1, 2011.

Upon recommendation of Mr. Gary Bagley, the Director approved the three-year review for SULA 1202.

SALES**PRE SALE APPLICATION NO. 8354 (REFUSAL)**

The above-numbered private sale application, in the name of Gunnison City, P.O. Box 790, Gunnison, UT 84634, was submitted on October 19, 2006. The Director has determined that a sale of this property is not in the best interest of the Trust Beneficiary and refused the application on October 30, 2006. A letter was sent notifying the applicant of this and no comments were received. Sanpete County. School Fund.

This item was submitted by Mr. Lou Brown for record-keeping purposes.

PRE SALE NO. 8353 (CLEAR LAKE WILDLIFE REFUGE)

Negotiated Pre Sale No. 8353

Certificate of Sale No. 26443

Certificate Date: August 26, 2007

Patent No. 20054

Patent Date: September 24, 2007

Sale Price: \$30,000.00

Date of Sale: August 1, 2007

Terms: Cash sale

TO WHOM SOLD AND ADDRESS:

The Division of Wildlife Resources
1594 W. North Temple, Suite 2110
P.O. Box 146301
Salt Lake City, UT 84114-6301

| | |
|-------------------------|--------------------|
| Down payment: | \$30,000.00 |
| Advertising cost: | 75.60 |
| Appraisal cost: | 5,250.00 |
| Sale processing charge: | 400.00 |
| Application fee: | <u>100.00</u> |
| TOTAL: | \$35,825.60 |

LEGAL DESCRIPTION:

Township 20 South, Range 7 West, SLB&M

Section 3: SE $\frac{1}{4}$ SW $\frac{1}{4}$

Section 10: E $\frac{1}{2}$ NW $\frac{1}{4}$

NUMBER OF ACRES BY COUNTY: 120.00 – Millard

NUMBER OF ACRES BY FUND: 120.00 – Utah State Hospital

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: Portion of GP 22423

LIST MINERAL RESERVATIONS:

Reserving to the Trust Lands Administration all coal and other mineral deposits along with the right for the Trust Lands Administration or other authorized persons to prospect for, mine, and remove the deposits.

PRE SALE NO. 8353 (CLEAR LAKE WILDLIFE REFUGE) (CONTINUED)

LIST SURFACE RESERVATIONS:

Subject to any valid, existing rights-of-way of any kind and any right, interest, reservation or exception appearing of record.

Subject to all rights-of-way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by statute.

RESPONSIBLE STAFF MEMBER: Lou Brown

This item was submitted by Ms. Diane Durrant for record-keeping purposes.

ISSUANCE OF PATENTS

A patent has been issued for the following paid certificate of sale. Records should be noted.

PRE SALE NO.: 7892

CERTIFICATE OF SALE NO.: 25710

SALE DATE: May 9, 2003

PATENT NO.: 20092

PATENT DATE: December 13, 2007

ISSUED TO:

Thiriot Family, LLC
3933 Southview Terrace
Medford, Oregon 97504

LEGAL DESCRIPTION:

Township 30 South, Range 20 West, SLB&M
Section 2: Lots 1-5, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$ (All)

ACRES: 348.78, m/l

COUNTY: Beaver

FUND: School

This item was submitted by Ms. Carney for record-keeping purposes.

TIMBER SALES**TIMBER SALE NO. 831 (REQUEST FOR EXTENSION OF TIME AND AMENDMENT NO. 1)**

Defa's Sawmill, Box 335, Tabiona, Utah 84072, has requested the expiration date of this contract be extended from December 31, 2007, to December 31, 2008. Defa has also requested that Unit F as surveyed in the timber cruise, and located in the area listed below, be added to the contract. Unit F was included in the RDCC NOI for TA 831.

Township 1 South, Range 9 West, USM

Section 31: S½ (a portion of)

Payments for loads will be amended to the following:

Lodgepole Pine: \$12.50/ton

Subalpine Fir: \$10.50/ton

Aspen: \$9.50/ton

The \$250.00 contract extension fee has been submitted. Wasatch County. School Fund.

Upon recommendation of Mr. Cary Zielinsky, Contract Forester, the Director approved the extension of time and Amendment No. 1 to TA 831.

DEVELOPMENT ACTIONS

EASEMENT AGREEMENT (ESMT 1327)

THE FOLLOWING EASEMENT WAS GRANTED TO THE CITY OF HURRICANE:

| | |
|-------------------|-------------------|
| PROJECT: | Sand Hollow |
| PROJECT CODE: | SANDH 000 00 |
| PROJECT MANAGER: | Aaron Langston |
| FUND: | Miners Hospital |
| DATE OF EASEMENT: | December 11, 2007 |
| TERM: | Perpetual |

GRANTEE:

City of Hurricane
147 North 870 West
Hurricane, Utah 84737

DESCRIPTION OF TRANSACTION:

This Easement is granted to the City of Hurricane, for the right to construct, operate, repair, and maintain a permanent road on trust lands described herein. Grantee shall pay the amount of \$850.00, \$100.00 of which is an administrative fee and will be charged every three (3) years. Grantee shall pay for its own costs and expenses in connection with the construction, operation, repair, replacement, and maintenance of said access road.

The term of this perpetual Easement began on December 1, 2007.

EASEMENT AGREEMENT (ESMT 1327) (CONTINUED)

LEGAL DESCRIPTION:

Township 42 South, Range 14 West, SLB&M

Sections 11: Within, as follows:

Beginning at a point being the northeast corner of the southwest quarter of the southeast quarter of Section 11, Township 42 South, Range 14 West, Salt Lake Base & Meridian, said point being South 89°45'34" West 1,325.26 feet along the center section line and South 1,322.44 feet from the East Quarter Corner of Section 11, Township 42 South, Range 14 West, Salt Lake Base & Meridian, and running thence South 00°04'20" East 42.00 feet along the 1/16th line; thence South 89°43'24" West 1,327.33 feet to the center section line; thence North 00°16'36" West 42.00 feet along the center section line to the northwest corner of the southwest quarter of the southeast quarter of Section 11, Township 42 South, Range 14 West, Salt Lake Base & Meridian; thence North 89°43'24" East 1,327.48 feet along the 1/16th line to the Point of Beginning. Together with a 10.0' Public Utility and Drainage Easement adjacent to said southerly line.

Contains 1.28 acres, more or less.

NUMBER OF ACRES BY COUNTY: 1.28 acres – Washington County

NUMBER OF ACRES BY FUND: 1.28 acres – Miners Hospital

NUMBER OF ACRES BY SECTION: 1.28 acres – Section 11

PROPOSED ACTION:

This Easement is granted only for the purpose described above as far as it is consistent with the principles and obligations in the Enabling Act of Utah (Act of July 16, 1894, Ch. 138, 28 Stat. 107) and the Constitution of the State of Utah.

Upon recommendation of Mr. Aaron Langston, the Director accepted and granted Easement No. 1327.

SUBDIVISION SETUP (SUBD NO. 16)

THE FOLLOWING LANDS HAVE BEEN SUBDIVIDED INTO LOTS, AND A PUBLIC ROAD PURSUANT TO DEVL 746:

SUBD NO.: 16.0

SUBD NAME: LAST SUN AT GREEN SPRINGS, PHASE 3

DEVELOPER:

GARDNER-PLUMB, L.C.
809 Edgehill Road
Salt Lake City, UT 84103

BUYER:

GARDNER-PLUMB, L.C.
809 Edgehill Road
Salt Lake City, UT 84103

LEGAL DESCRIPTION:

Township 42 South, Range 15 West, SLB&M
Section 10:

SUBDIVISION SETUP (SUBD NO. 16) (CONTINUED)

BEGINNING AT THE NORTHEAST CORNER OF LOT 11, "LAST SUN AT GREEN SPRINGS PHASE 2", ACCORDING TO THE OFFICIAL PLAT THEREOF, WASHINGTON COUNTY RECORDS, SAID POINT BEING LOCATED S88°58'42"E 700.01 FEET ALONG THE SECTION LINE FROM THE NORTH QUARTER CORNER OF SECTION 10, TOWNSHIP 42 SOUTH, RANGE 15 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE S88°58'42"E 300.00 FEET ALONG SAID SECTION LINE AND SAID SUBDIVISION LINE; THENCE LEAVING SAID LINES S0°35'23"W 192.14 FEET; THENCE S41°18'44"E 243.17 FEET; THENCE S22°39'53"W 110.16 FEET; THENCE N89°24'37"W 151.34 FEET; THENCE N15°48'25"W 90.31 FEET TO A POINT ON A 50.00 FOOT, NON-TANGENT RADIUS CURVE TO THE RIGHT, THE RADIUS POINT BEARS N15°48'25"W; THENCE NORTHWESTERLY 74.44 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 85°18'25" TO THE POINT OF A 15.00 FOOT RADIUS REVERSE CURVE TO THE LEFT; THENCE SOUTHWESTERLY 41.59 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 158°51'31" TO THE POINT OF TANGENCY; THENCE S0°38'29"W 116.49 FEET TO THE POINT OF A 20.00 FOOT RADIUS CURVE TO THE LEFT; THENCE SOUTHEASTERLY 20.97 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 60°04'20" TO THE POINT OF A 50.00 FOOT RADIUS REVERSE CURVE TO THE RIGHT; THENCE SOUTHWESTERLY 115.81 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 132°42'23"; THENCE S0°38'29"W 49.62 FEET TO THE POINT OF A 20.00 FOOT RADIUS CURVE TO THE LEFT; THENCE SOUTHWESTERLY 12.79 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 36°37'56" TO THE POINT OF A 50.00 FOOT RADIUS REVERSE CURVE TO THE RIGHT; THENCE SOUTHWESTERLY 103.75 FEET ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 118°53'14"; THENCE S22°53'47"W 128.17 FEET; THENCE N89°24'37"W 75.98 FEET TO THE SOUTHEAST CORNER OF LOT 20, OF SAID "LAST SUN AT GREEN SPRINGS PHASE 2"; THENCE N0°35'23"E 850.61 FEET ALONG SAID BOUNDARY TO THE POINT OF BEGINNING.

CONTAINS 4.96 ACRES.

NUMBER OF ACRES BY COUNTY: 4.96 acres - Washington County

NUMBER OF ACRES BY FUND: 4.96 acres - School

LAND CONVEYED BY PLAT:

All public roads shown, or referenced as such, on the plat were dedicated and conveyed to Washington City, and non-exclusive utility and drainage easements over, on, under, and across all portions shown or referenced as such on the plat were granted to each public utility providing utility services to such lands conveyed to Washington City; the total acreage conveyed as public roads and easements equals 1.10 acres of Section 18.

LIST MINERAL RESERVATIONS:

Excepting and reserving all coal and other mineral deposits (other than oil and gas, which was previously reserved to the United States) along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Subject to any valid, existing easement or rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by authority of the United States as provided by Statute.

This item was submitted for record-keeping purposes by Amera Musial.

HENKEL ROAD – ROAD DEDICATION PLAT (DC 25461)

PROJECT: Big Water Page One
PROJECT MANAGER: Alexa Wilson
PROJECT CODE: BGWAT 003 00
FUND: School
COUNTY: Kane
DATE OF RECORDING: October 20, 2005

CONVEYANCE TO:
KANE COUNTY
76 North Main
Kanab, Utah 84741-0728

This Road Dedication has been assigned Dedication No. 113 (See Director's Minutes January 12, 2007).

This item was submitted for record-keeping purposes by Alexa Wilson.

RIGHT OF ENTRY 5121 – PRICE INDUSTRIAL SEMI TRUCK HEADQUARTERS

THE FOLLOWING RIGHT OF ENTRY HAS BEEN EXECUTED:

RIGHT OF ENTRY NO.: 5121
PROJECT: Price Industrial Semi Truck Headquarters
PROJECT CODE: PRIND 001 00
PROJECT MANAGER: Noah Steele
COUNTY: Carbon
FUND: School
TOTAL PAYMENT: \$7,500.00

PERMITTEE:
ARCHULETA TRUCKING, INC.
a Utah limited liability company
277 North Carbonville Road
Price, UT 84501-2349

DESCRIPTION OF TRANSACTION:

The Trust Lands Administration authorizes ARCHULETA TRUCKING, INC. to occupy the trust land described below for the following express uses: conduct initial surveys & inspections, grade portions or all of property, install paving & fences, petroleum storage, and parking of vehicles. The term of this right of entry shall be ninety days. The permittee is buying this property after the 90 days and the details of the sale are under negotiations. Before they invest in the purchase of the land, they need to know that the property will suit the needs for their intended purpose.

LEGAL DESCRIPTION:

Township 15 South, Range 10 East, SLB&M
Section 9: SW4NE4NW4, NW4SE4NW4

Containing 12.40 acres, more or less.

RIGHT OF ENTRY 5121 – PRICE INDUSTRIAL SEMI TRUCK HEADQUARTERS (CONTINUED)

NUMBER OF ACRES BY COUNTY: 12.40 acres - Carbon County

NUMBER OF ACRES BY FUND: 12.40 acres - School

Upon recommendation of Noah Steele, the Director approved this transaction.

PREDESIGNATION NO. 717 (PUBLIC ACCESS CLOSURE)

The following finding was signed by Kevin Carter on January 17, 2008.

The following finding was made pursuant to Utah Code 53C-1-302 and 53C-2-105, which grants the Director broad authority to manage trust lands in a manner which is in the best interest of the Beneficiaries.

The Director finds that the following closure is in the best interest of the Beneficiaries:

Project: South Block grading/construction area, Washington County, Utah

Description: The following described tract of trust land is designated as closed to Public Access. The closed area is more specifically identified by fencing and signage on the property.

Township 43 South, Range 15 West, SLB&M

Sections 19, 30, 31, 32 and 33 excepting the old River Road right of way

Township 43 South, Range 16 West, SLB&M

Sections 24 and 25

This closure is determined to be in the best interest of the Trust Beneficiaries for the following reason:

Intensive and large scale construction and grading will take place in the area, involving the presence of large earth moving equipment, trucks, and other large machinery. The movement of heavy equipment as well as the unexpected changes in terrain that result from the planned activities pose an unacceptable risk to the public as well as liability for the Trust.

This item was submitted by Brent Bluth for record-keeping purposes.

PROJECT DESIGNATION – PRICE INDUSTRIAL (DEVL 607)

The following finding was signed and approved by Douglas O. Buchi on January 23, 2008.

The following finding is made pursuant to R850-140, which allows the Director to designate development properties when certain criteria are satisfied (Amending/adding lands to Price Industrial).

Property: Price Industrial
Carbon County

Location: Township 15 South, Range 10 East, SLB&M
Section 4: S2SE4, S2SW4 (160 Acres)
Section 5: SE4SE4 (WITHIN), E2E2SW4SE4 (20.33 Acres)

PROJECT DESIGNATION – PRICE INDUSTRIAL (DEVL 607) (CONTINUED)

Acreage: 180.33 acres, more or less

Fund: School

This property is suitable for designation as a development property pursuant to R850-140 for the following reasons:

1. This property is located approximately four (4) miles south of Price in an area suitable for industrial development.
2. The Agency has received third party inquiries regarding the property and has determined that the property is best used for development purposes.
3. The Agency believes that it is timely and in the best interest of the Trust to consider a development transaction for the property.

This item was submitted by Noah Steele for record-keeping purposes.

ACTIONS CONTAINING FEE WAIVERS

DEVELOPMENT**RIGHT OF ENTRY 5116 – NIELSON CONSTRUCTION - PRICE RIDGE ROAD INDUSTRIAL PARK (APPROVAL AND WAIVER OF FEES)**

THE FOLLOWING RIGHT OF ENTRY WILL BE FURTHER EXECUTED UPON THE APPROVAL OF THESE DIRECTOR'S MINUTES:

| | |
|---------------------|----------------------------------|
| RIGHT OF ENTRY NO.: | 5116 |
| PROJECT: | Price Industrial Unimproved Lots |
| PROJECT CODE: | PRIND 003 00 |
| PROJECT MANAGER: | Noah Steele |
| EFFECTIVE DATE: | January 25, 2008 |
| TERM: | Six (6) Months |
| COUNTY: | Carbon |
| FUND: | School |
| RDCC DATE: | January 25, 2008 |

PERMITTEE:
 NIELSON CONSTRUCTION
 825 N. Loop Road
 Huntington, Utah 84528

DESCRIPTION OF TRANSACTION:

The Trust Lands Administration authorizes Nelson Construction (the Permittee) to occupy the trust land described below for property inspection and initial surveying to determine the condition and suitability of the property for the Permittee's intended purposes before Permittee commits to the anticipated acquisition of said land. Additionally, the Permittee desires to perform grading activities and install concrete slabs on certain portions of the property for the benefit of future development of the property. The term of this Right of Entry shall continue until that date six (6) months thereafter the commencement date.

**RIGHT OF ENTRY 5116 – NIELSON CONSTRUCTION - PRICE RIDGE ROAD INDUSTRIAL PARK
(APPROVAL AND WAIVER OF FEES) (CONTINUED)**

The Permittee, Nielson Construction has committed to purchasing approximately 63 acres for \$175,000. The appraisal for the property came in at \$115,000 dollars. Therefore, the Trust Lands Administration is profiting \$50,000 above appraised value for the land. The Surface fee for a similar application would cost \$300 dollars. The Trust Lands Administration believes that the waiver of fees will expedite the anticipated sale of the Permitted Property and that the activities authorized hereunder will increase the present value of the land and that the benefit from granting this Right-of-Entry, therefore, exceeds the amount the Trust Lands Administration would receive if it charged the \$300.00 fee.

RELEVANT FACTUAL BACKGROUND

The Resource Development Coordinating Committee (“RDCC”) review was initiated on January 11, 2008. No comments were received. The project has received approval by RDCC. The Trust Lands Administration’s staff archaeologist reviewed the project with a finding of “Historic Properties Not Affected.”

LEGAL DESCRIPTION:

Township 15 South, Range 10 East, SLB&M
Section 5: Within, SE¼

Township 15 South, Range 10 East, SLB&M
Section 8: Within, N½NE¼

Containing 63.39 total acres, more or less.

NUMBER OF ACRES BY COUNTY: 63.39 acres – Carbon County

NUMBER OF ACRES BY FUND: 63.39 acres – School

Upon recommendation of Noah Steele, the Director accepted this agreement and waiver of fees.